



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

March 13, 2014

Officers' Travel and Representation Expenses for Fiscal Year 2013

Report Number FT-AR-14-008

BACKGROUND:

The Postal Reorganization Act of 1970, as amended, requires annual audits of the U.S. Postal Service's financial statements. As part of this process, the Postal Service Board of Governors adopted policies and procedures that require annual audits of officers' travel and representation expenses.

Postal Service officers shape the strategic direction of the agency by setting goals, targets, and indicators within the Board of Governors' established framework. The Postal Service has classified these officer positions as Postal Career Executive Service II and they include the Postmaster General, deputy postmaster general, and all vice presidents. The Board of Governors has authorized 50 officer positions.

Our objective was to determine whether the travel and representation expenses Postal Service officers claimed during fiscal year (FY) 2013 were properly supported and complied with Postal Service policies and procedures. During FY 2013, 41 Postal Service officers filed 964 travel reimbursements totaling about \$771,000.

WHAT THE OIG FOUND:

Officers' travel and representation expenses totaling about \$771,000 were properly supported; however, the officers did not always comply with

Handbook F-15, *Travel and Relocation*, which requires that all employees, including officers, adhere to the General Services Administration's published lodging rates or justify why they chose lodging rates that exceeded the published rates. The *Officers' Travel and Representation Expense Guidelines* does not reference this portion of Handbook F-15 or otherwise make it clear that officers should adhere to the General Services Administration's rates. Rather, officers are directed to "shop around for the best possible rate."

We identified 13 of 60 travel reimbursements filed by 11 officers where lodging costs were between 108 and 239 percent of the published General Services Administration's lodging rate for the area, totaling about \$1,200 in extra costs.

WHAT THE OIG RECOMMENDED:

We recommended management update officers' travel guidelines to include the requirements of Handbook F-15 to use published General Services Administration rates as the maximum amount for lodging or document a justification for exceeding the rate.